



AMERICAN FODDER, LLC. PRESENTATION

One Nutritious Organic Feed System
for
Many Animals

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MISSION STATEMENT

The Company's mission is to be an industry leader in providing cost-competitive fodder feed to the agricultural industry through state-of-the-art hydroponic technology.

These fodder systems are designed to provide healthy food to beef & dairy cattle, horses, goats, pigs, sheep, llama, alpaca, and a variety of other farm animals



The company is pursuing its mission in three ways:



FIRST

American Fodder has developed hydroponic growing systems. These systems are designed to provide fodder sufficient to feed farm animals ranging in herds of four to several thousand head.



SECOND

The Company can provide, fully automated growing systems.

These systems are scalable and designed to accommodate larger herds of beef and dairy cattle, comprised of several hundred to several thousand head.



THIRD

In addition to the above mentioned profit centers, there exists a third center wherein American Fodder will contract with select seed growers to supply high quality ORGANIC seed mixes for different animal groups.

American Fodder will write long term contracts with it's clients to supply our seed mixes at reasonable prices and work hard to keep future seed cost increases low.



INDUSTRY DRIVERS

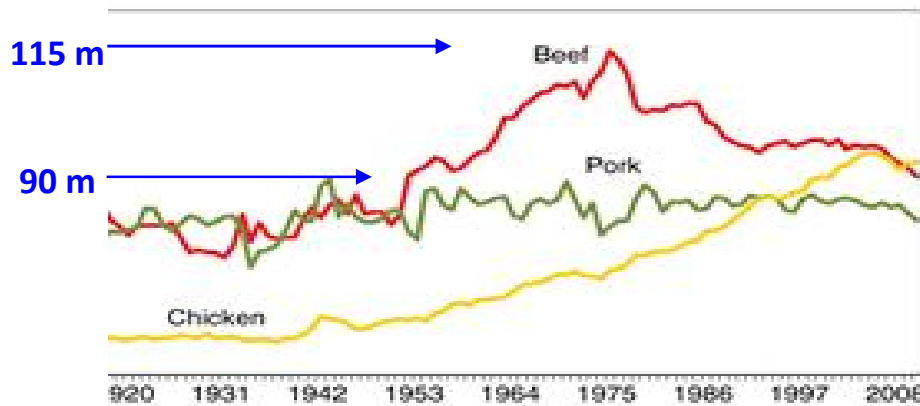
(Timing and key elements create value and opportunity)!!

- ◆ Cattle Industry: History, Growth, Political Climate
- ◆ Negative growth
- ◆ Rising cost of feed
- ◆ Drought and weather related issues
- ◆ Declining profit margins
- ◆ Increasing global demand
- ◆ Grass fed vs. genetically altered diet
- ◆ Quality of domestic beef
- ◆ Need to import beef
- ◆ U.S. export market



HISTORY OF CATTLE INDUSTRY

The cattle industry has enjoyed favorable growth for many years. However, the U.S. herd hit its peak of 115 million head in mid 1970's. Today, the population has been reduced to 90 million (a level not seen since the 1950's). The primary causes are drought and increased feed prices.



Source: USDA



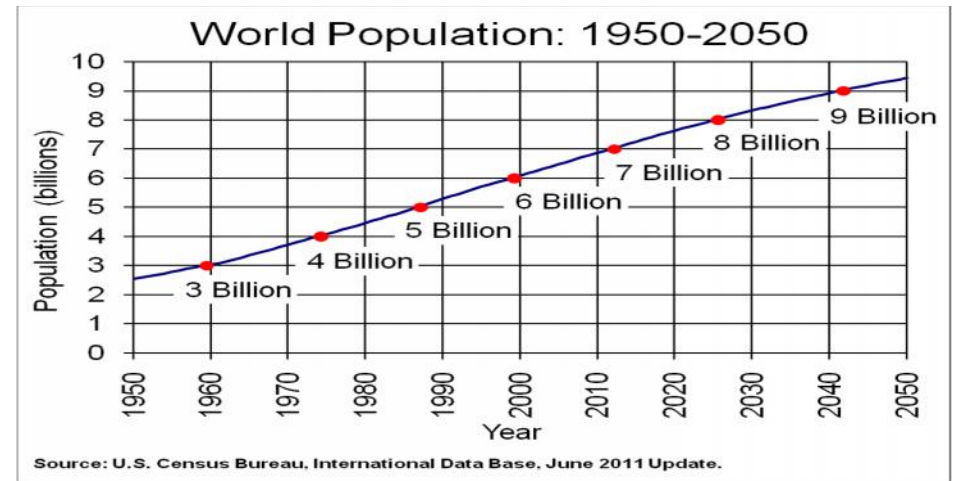
Many dairy farmers and cattle ranchers have thrown in the towel simply because they cannot afford to feed livestock and turn a reasonable profit.



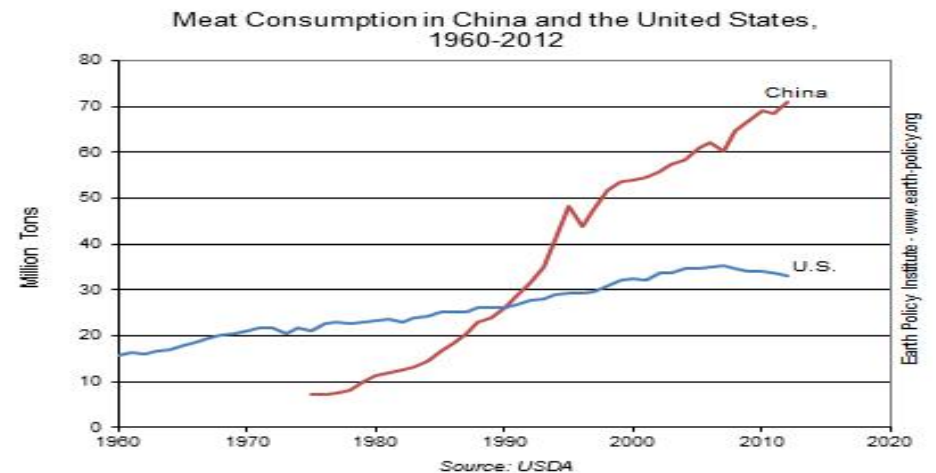
GLOBAL DEMAND

At the same time, the global demand for beef is on the rise as a result of:

◆ Increasing world population



◆ Strengthening economies of 3rd world countries as they begin to embrace heavier protein diets



FEEDING CATTLE

- ◆ Dairy and beef cattle were intended to be raised on grass. Grass fed cattle have a very lean body mass. Grass is **ORGANIC**!
- ◆ However, through the evolution of these two industries feed lots were created and the diet was altered to include GMO's, (genetically modified organisms) and other harmful ingredients.
- ◆ This in turn substantially increases the fat content in beef. In short, our cattle have become *just too fat !!*



FEEDING CATTLE (continued)

More than half of all beef consumed in the United States is in the form of ground beef. In the case of hamburger, the U.S. is forced to import beef from lean grass fed cattle raised in other countries and mixed with domestic meat so that acceptable levels of fat can be achieved. This represents several billion pounds a year coming from Canada, Central America, South America, Australia and New Zealand.



FOREIGN MARKETS

- ◆ Meanwhile, due to (perceived low) quality, China has a ban on U.S. beef. Not only does that close off a large potential market for exports, but China has now begun importing beef products from countries that would have been destined for the U.S.
- ◆ In turn, this causes beef prices to increase here in the U.S.



PROBLEMS

The problems related to animals within the agricultural industry are many:

- ◆ Rising animal feed cost
- ◆ Drought and other weather related issues
- ◆ Livestock being fed genetically modified organisms (GMO), hormones, and chemicals
- ◆ Mad Cow Disease (BSE)
- ◆ E. coli
- ◆ Fat content of beef cattle
- ◆ The need to import grass fed beef from foreign countries
- ◆ Inability to export U.S. beef products to other regions due to GMO and poor quality



ANSWERS:

Fortunately, there is a answer to all of these problems, and it is:

- ◆ INEXPENSIVE
- ◆ AVAILABLE
- ◆ PROVEN
- ◆ EFFECTIVE

WHAT A
BRIGHT
IDEA !!



*The answer is technology
known as HYDROPONICS*



TECHNOLOGY

Hydroponics is a synthetic environment created by controlling light, water, and temperature to grow fodder feed from seed (primarily a proprietary blend of barley & sunflower seeds).

So effective is this technology that it can produce a crop from seed to feed in just 6 days!!

This is done without:

- ◆ Dirt
- ◆ Weeds
- ◆ Fertilizer
- ◆ Herbicides or
- ◆ Pesticides



THE PROCESS

The American Fodder Integrated Growing System™ is a portable, self contained structure made of aluminum, (think of it as precision temperature controlled oven).

The internal components consist of:

- ◆ Air conditioning unit to control temperature
- ◆ A lighting system to simulate periods of light & darkness
- ◆ Sprayers for water irrigation
- ◆ Growing racks



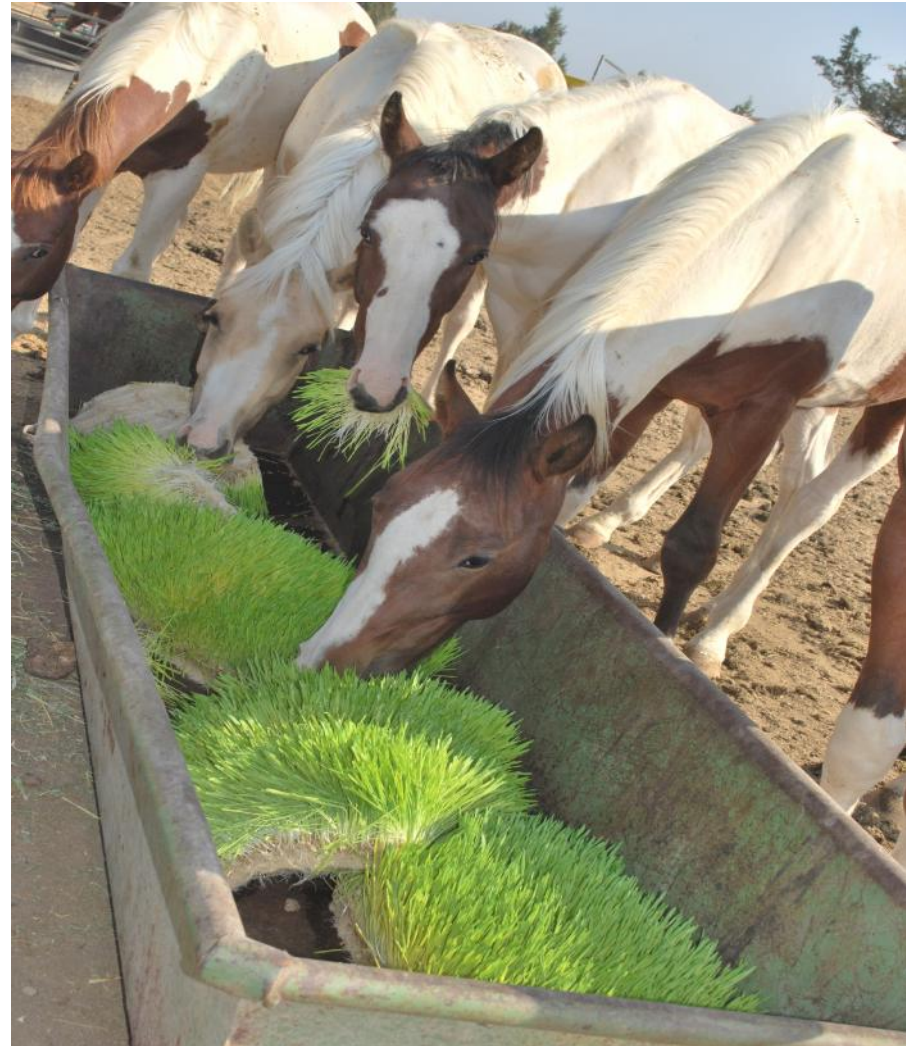
THE PROCESS (continued)

- ◆ Trays made of high impact plastic are filled with a pre-determined amount of seed mix & loaded into the growing racks
- ◆ During the growing cycle, the trays are re-positioned within the system to insure the correct amount of light and water
- ◆ On the 6th day, the process is complete and the crop is harvested



BISCUITS

- ◆ The crop looks very much like sod without the dirt and is called a “biscuit”
- ◆ The biscuits are the highest quality, fully hydrated, nutritionally balanced and easy to digest
- ◆ Because there is no dirt, animals will consume the entire plant including the roots.



COMPARISONS

The reason American Fodder uses barley seed is because it is known to be the most nutritious of all the cereal grains, and when combined with sunflower seeds, it produces a near perfect food for farm animals.

This ideal feed has a high alkaline PH, resulting in a highly digestible and energizing diet.



COMPARISONS (continued)

DIGESTIBILITY: Dry alfalfa hay has an acidic PH with a digestibility rate of 20%, whereas living barley greens and sunflower greens have a digestibility rate of 80%.

NUTRITIONAL VALUE: Barley greens have:

- ◆ Up to 400% more vitamin A
- ◆ 600% more vitamin E than hay
- ◆ 30 times more B-1
- ◆ 11 times more calcium
- ◆ 6 times more carotene
- ◆ 5 times more iron than spinach
- ◆ 15 times more protein than milk



LAND SAVINGS

- ◆ In a 12 sq. ft. unit American Fodder can grow the same amount of feed as three cultivated acres.
- ◆ In a 88 sq. ft. unit American Fodder can grow the same amount of feed as 40 cultivated acres.
- ◆ In a 45,000 sq. ft. building, American Fodder can grow the same amount of feed as 3,659 acres.



WATER SAVINGS

American Fodder growing systems uses **FOUR GALLONS** of water to grow 20 lbs of feed



Farmers with sprinkler systems use **488 GALLONS** of water to grow 20 lbs of feed



Farmers with flood irrigation use **2,000 GALLONS** of water to grow 20 lbs of feed



POWER & OTHER SAVINGS

- ◆ AmericanFodder uses only ONE SIXTH the power to produce 20 lbs of feed in comparison to typical dry hay farming
- ◆ Also, no fertilizer, pesticides, or herbicides required
- ◆ Additionally, no tractors, swathers, rakes, balers, squeezes, irrigation pumps, or hay storage are required



ECONOMIC SAVINGS

The GREATEST SAVINGS of ALL comes from the SAVINGS in the cost of feeding livestock !!!!!!!!!!!!!



*The “AMERICAN FODDER System™”,
will reduce that cost by 75 Percent.*



ECONOMIC SAVINGS (Continued)



- ◆ These savings will allow the end user to recover his / her capital investment in less than two years. (On larger size units)
- ◆ American Fodder system will allow the dairy farmer, cattle rancher and horse rancher the ability to compete in the worldwide market with an economic advantage.



COST COMPARISON

According to the USDA, one horse or cow requires 3.65 tons of food per year.

FEEDING ALFALFA: @ approximately \$250 per ton x 3.65 tons = \$912.50

Supplements: (vitamins + minerals) = \$365.00

Total Annual feed costs = \$1,277.50

FEEDING AMERICAN FODDER's Integrated Growing System™ can produce one ton of feed from seed for about \$57.50 / ton.

Fodder \$57.50 x 3.65 tons = \$209.88

Supplemental Straw / grass \$.030 x 365 = \$109.50

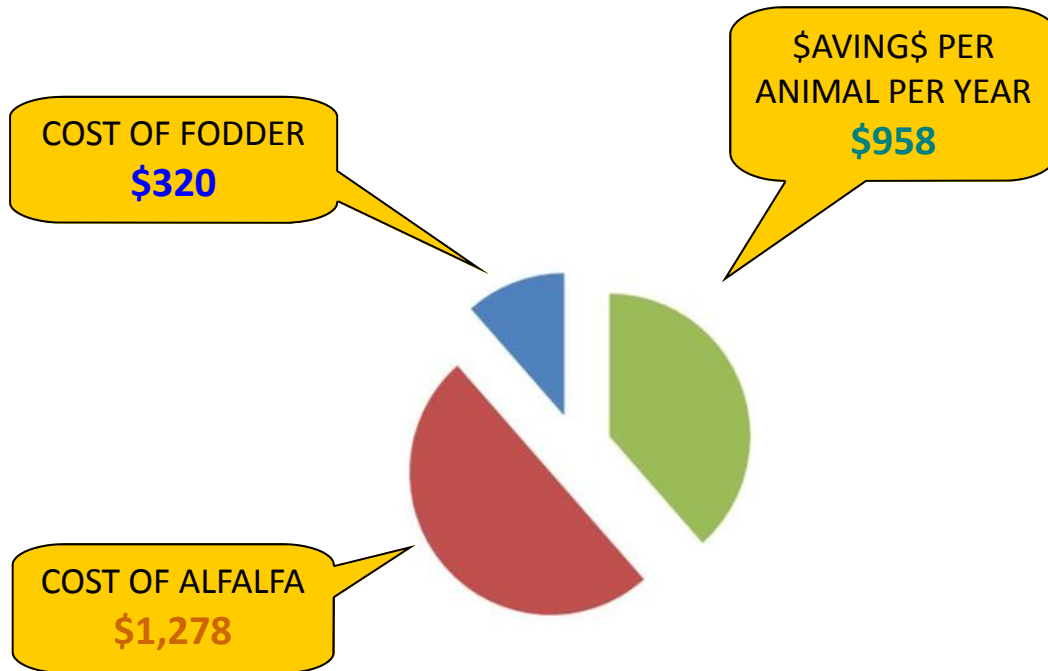
\$319.38

$\$1277.50 - \$319.88 = \$958.12 / \$1,277.50 =$

75% savings annually



SAVINGS PER HEAD PER YEAR



75%

NUMBER OF ANIMALS	1	5	10	50	100	500	1000	5000
ANNUAL ALFALFA COSTS	\$ 1,278	\$ 6,390	\$ 12,780	\$ 63,900	\$127,800	\$639,000	\$ 1,278,000	\$ 6,390,000
ANNUAL FODDER COSTS	\$ 319	\$ 1,595	\$ 3,190	\$ 15,950	\$ 31,900	\$159,500	\$ 319,000	\$ 1,595,000
ANNUAL SAVINGS	\$ 959	\$ 4,795	\$ 9,590	\$ 47,950	\$ 95,900	\$479,500	\$ 959,000	\$ 4,795,000

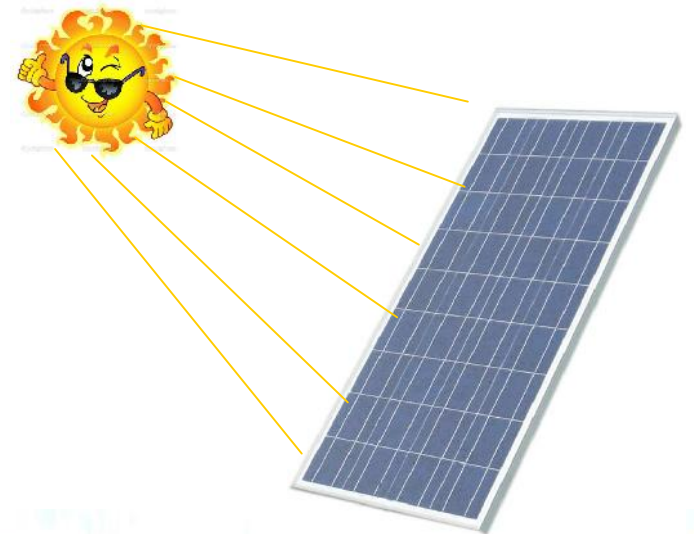
SYSTEM COST vs. SAVINGS

- ◆ The AMERICAN FODDER Growing Systems™ will be available in a variety of sizes designed to accommodate different size herds.
- ◆ For illustrative purposes we will use a model designed to feed 96 cows
System cost = \$130,000
- ◆ The cost to feed 96 cows hay grass per year is approximately \$123,000
- ◆ The cost to feed 96 cows from American Fodder's Growing System™ is approximately \$ 30,624
- ◆ Realized savings of \$92,376 per year
- ◆ $\$130,000 / \$92,376 = 1.4$ years to recover capital cost from savings.
(note: actual numbers will vary depending on the size of the unit purchased)



RELIABILITY, DEPENDABILITY & SUSTAINABILITY

- ◆ American Fodders' self contained, automated, environmentally-controlled feed growing systems free the growers from all concerns regarding weather, petrochemical fertilizers and pesticides.
- ◆ With only electrical power and water, this state-of-the-art hydroponic growing system will produce the same high quality feed 24 hours a day, 365 days a year.
- ◆ AND the system is so efficient and requires so little electricity it can be run on SOLAR POWER!



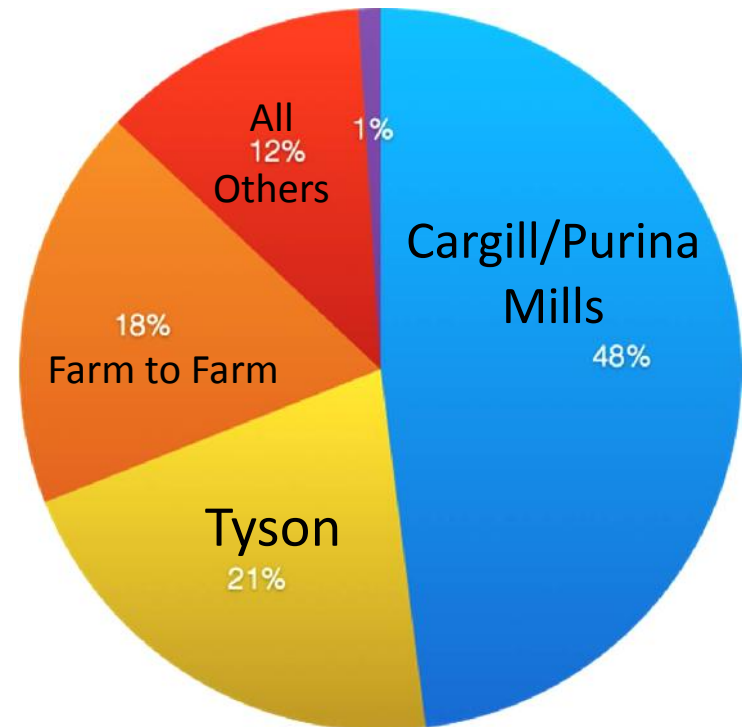
THE MARKET

400 Billion dollars per year
USA animal feed market

*USDA 2011 most current

The market is Global in nature
with almost
NO limit to opportunity

If American Fodder
had Just 1% of the
Annual Animal feed
market this would
equal 4 BILLION in
sales!



MARKETING PLAN

American Fodder has developed a unique marketing plan to capture the domestic market. Proprietary in nature, this plan will efficiently penetrate the U.S by:

- ◆ Establishing new regional manufacturing and distribution centers
- ◆ Developing relationships with contractors to build permanent structures
- ◆ Creating sales strategies that focus on areas of high animal concentration
- ◆ Establishing long-term relationships with seed growers



OFF SHORE MARKETS

- ◆ Currently, the American Fodder marketing research staff is analyzing opportunities in foreign markets such as Europe, Middle-East, FarEast, Canada, Central America and South America.
- ◆ Proprietary strategies on how to penetrate these markets have already been established. Franchising is our preferred approach.



GROSS DOMESTIC PRODUCT

AMERICAN FODDER will grow & strengthen the U.S. Economy by:

- 1. Creating jobs in multiple locations around the U.S.**
- 2. Manufacturing in the U.S.**
- 3. Becoming a major exporter of our technology to foreign countries via FRANCHISING and bring revenues back to the US**
- 4. Using as much USA made materials as possible**
- 5. Provide jobs for Veterans on a preferential basis. Take advantage of government funds available to train and retrain Vets.**



WE HIRE AND TRAIN VETERANS

AMERICAN FODDER is COMMITTED to giving back to our wonderful service men and women who gave so much of themselves to sustain the liberty and freedom we all enjoy.



Learning to
Better Serve
Those ★
Who Have
Served



CONCLUSION

Reasons for considering American Fodder :

- ◆ The overall population of the world is growing exponentially
- ◆ Animal feed costs are rising and no end is in sight
- ◆ There is a growing worldwide demand for QUALITY beef
- ◆ Health issues are becoming a concern globally
- ◆ The market is ready for a solution to world food safety and supply

***“By embracing AMERICAN FODDER’S Unique Fodder Growing System™
The United States can once again regain the world market share for
quality meat and milk we once enjoyed”***

AMERICAN FODDER HAS CREATED THE COMPELLING SOLUTION !!



THANK YOU



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